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EXECUTIVE OFFICE OF THE PRESIDENT
WASHINGTON, D.C.
20508**

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**For Immediate Release
Tuesday, January 26, 1999**

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**USTR BARSHEFSKY ANNOUNCES
SUPER 301 and TITLE VII EXECUTIVE ORDER**

United States Trade Representative Charlene Barshefsky today announced President Clinton's decision to re-institute Super 301 and Title VII by Executive Order. The President's Executive Order enhances USTR's ability to open markets, enforce agreements, and promote U.S. trade interests around the world.

In announcing this Executive Order, Ambassador Barshefsky stated, "Super 301 and Title VII have been critical to the successful conclusion of trade agreements and the elimination of foreign trade barriers. Given the state of the world economy, it is now more important than ever that we maintain these tools."

"Last year's successful conclusion of a market access agreement for motor vehicles with Korea demonstrates the effectiveness of Super 301," stated Ambassador Barshefsky. In October 1997, the U.S. identified Korea's barriers to imported motor vehicles as a priority foreign country practice and initiated a section 301 investigation." One year later, the United States entered into a Memorandum of Understanding with Korea that provides substantial opportunities for U.S. automakers by dismantling a range of discriminatory Korean trade barriers in the near term and by establishing a solid basis for steady improvement in the future. Super 301 also was instrumental in successfully addressing Japanese market access barriers in the satellite, supercomputer, wood products, medical technology, telecommunications, and glass sectors.

Super 301 authority -- which expired in 1997 -- enables the USTR to identify the most significant unfair trade practices facing U.S. exports and to focus U.S. resources on eliminating those practices. Title VII authority -- which expired in 1996 -- provides for the USTR to address discriminatory government procurement practices. USTR will report the results of its 1999 Super 301 and Title VII reviews to Congress at the end of April.

“The renewal of Super 301 and Title VII will continue the Clinton Administration’s long-standing commitment to opening markets multilaterally where possible and bilaterally where necessary.” According to Ambassador Barshefsky, “We are creating opportunities to open markets through the WTO, APEC, and the FTAA. And, we can use Super 301 and Title VII -- as well as other bilateral trade tools such as section 301, Special 301 concerning intellectual property rights, and section 1377 concerning telecommunications goods and services -- to complement and reinforce our multilateral efforts.”

BACKGROUND

The re-instituted Super 301 and Title VII processes will work as follows:

- On March 31, the USTR will submit to Congress the *National Trade Estimate Report*, a comprehensive analysis of the trade barriers facing U.S. products and services around the world.
- By April 30, the USTR will report to Congress in its Super 301 report on priority foreign trade practices, which if eliminated, would give the greatest boost to U.S. exports. Also by April 30, the USTR will report to Congress in its Title VII report on foreign countries that engage in discriminatory government procurement practices.
- For the next 90 days (May, June, and July), the USTR will seek a satisfactory resolution of the priority foreign trade practices and discriminatory government procurement practices.
- The USTR will initiate a section 301 investigation for every practice for which a satisfactory resolution is not achieved during the 90-day period. The investigation period will be 18 months for practices involving a WTO agreement to accommodate completion of WTO dispute settlement proceedings; 6 months for other discriminatory government procurement practices and 12 months for other priority foreign country practices.

As with any section 301 investigation, if no agreement is reached, the USTR must determine whether the practice under investigation is actionable under section 301 -- i.e., that it violates a trade agreement, or is unjustifiable, unreasonable, or discriminatory and burdens or restricts U.S. commerce. If the practice is deemed actionable, the USTR must also determine what retaliatory action, if any, should be taken.